

Statement of Chairman Tom Davis
Government Reform Committee Hearing
“The Next Step in the Investigation of the Use of Informants by the
Department of Justice: The Testimony of William Bulger”
June 19, 2003

We are here today to receive testimony from William Bulger. During the 107th Congress, the Committee conducted an investigation of the FBI’s misuse of informants in the New England region from 1964 until the present. The Committee held a number of hearings and conducted hundreds of interviews. Mr. Bulger’s testimony is the next step of the Committee’s investigation into the use of informants by the Department of Justice.

James “Whitey” Bulger was an informant for the FBI in Boston. Whitey Bulger was repeatedly able to avoid arrest due to information illegally leaked to him by his FBI handler, John Connolly. When Whitey Bulger was finally indicted in 1995, he received advance warning from Connolly and fled. Federal and state authorities continue to look for him. Whitey Bulger is currently wanted on eighteen counts of murder, as well as other racketeering offenses, some of which were committed during his tenure as an FBI informant. He is currently listed on the FBI’s Ten Most Wanted List. As a result of John Connolly’s improper relationship with James Bulger, Connolly was convicted of racketeering and obstruction of justice and is now serving a ten-year prison term.

I do not believe it is a coincidence that current FBI Director Bob Mueller recently asked former Attorney General Griffin Bell to conduct a review of the FBI’s Office of Professional Responsibility. The revelations about John Connolly’s conduct call into serious question the deterrent value of the FBI’s internal review process.

Connolly grew up in the same South Boston neighborhood as the Bulger family. As an adult, John Connolly was a friend of James Bulger’s brother, William. William Bulger served as the President of the Massachusetts State Senate from 1978 to 1996 and is currently the President of the University of Massachusetts.

Pursuant to subpoena, William Bulger appeared before this Committee on December 6, 2002. At that time, Mr. Bulger exercised his Fifth Amendment privilege and refused to testify. On April 9, 2003, this Committee voted to grant William Bulger immunity to obtain information concerning Whitey’s whereabouts and the FBI’s misuse of informants.

The purpose of this hearing is to get to the truth about the impact that the misconduct of John Connolly had on the proper functioning of state government in Massachusetts. The record of this Committee’s investigation plainly establishes that the FBI’s improper relationship with its informants corrupted and distorted the efforts of state law enforcement. Joseph Salvati went to prison for 30 years for the Deegan murder when the FBI had evidence that Salvati was not the killer.

This hearing, however, will focus on whether the relationship between John Connolly and Whitey Bulger benefited Whitey Bulger's brother, William Bulger, while he was a high ranking elected official in Massachusetts. The issues include: whether as a result of that relationship, the FBI improperly protected or advanced Mr. Bulger's career during his tenure in the Massachusetts legislature; whether Mr. Bulger used his position of power to retaliate against those who investigated Whitey's crimes; whether Mr. Bulger knew of the relationship and sought, or at least knew that he received, favorable treatment as a result of the relationship; and finally, whether Mr. Bulger has knowledge as to James's whereabouts and the efforts by the FBI to locate James. Getting to the truth about these issues will reassure the public that these matters have been thoroughly and fairly investigated and contribute to the restoration of public confidence in government.

The disclosure of the improper relationship between John Connolly and Whitey Bulger has cast a new light on events involving William Bulger. The Committee will examine whether the investigation and prosecution of former Senate Majority Leader Joseph DiCarlo on federal corruption charges was intended to benefit Mr. Bulger, who became Senate President following that scandal. The Committee will also examine whether Mr. Bulger has any information regarding allegations that John Connolly sought to terminate prematurely an investigation of possible corruption in connection with the 75 State Street matter, a real estate development project in the 1980s.

The Committee will ask whether William Bulger had any connection to the demotion of a Massachusetts State Police officer who, in September of 1987, filed an incident report regarding an attempt to stop Whitey Bulger Logan Airport after \$500,000 was discovered in his bag. The officer, Billy Johnson, later committed suicide. Mr. Johnson claimed his superior requested a copy of his incident report regarding James Bulger on behalf of William Bulger.

The Committee will also examine whether Mr. Bulger was aware of an amendment in the state budget that would have required state police officers 50 or older to take a reduction in pay and rank or retire. The amendment, which was later vetoed by the Governor, would have only affected five officers in Boston. Two of the five officers had participated in the Lancaster Street Garage investigation involving Whitey Bulger and other leaders of the Boston mob.

The misuse of informants in Boston has left an indelible mark on the public's perception of the FBI. The Department of Justice was supposed to enlist the use of informants to apprehend and prosecute high ranking members of the mob. Instead, certain FBI Special Agent handlers in Boston, including John Connolly, chose to break the law by participating in corrupt relationships with their informants. The agents turned a blind eye to the crimes committed by their informants and participated in dismantling state and federal investigations of the New England mob by tipping off their informants to wiretaps, surveillance, and pending indictments. The agents chose personal gain over ethics by forming social relationships with their informants that exceeded the boundaries established by FBI guidelines. The agent handlers accepted personal and monetary gifts from their informants.

This Committee will examine all of these issues to gain a full understanding of the serious impact of the FBI's misconduct in the case. Only by having a full understanding can we take steps to make sure that it never happens again.